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Serial Nos. 1-3

Indexed
S. Raghavachar

Major Part B for August 1897

SUBJECT.

The powers of the Presidents of Municipal
and Local Fund Boards with regard to
excesses over estimates for work.Key No

Letter No

Date

4373

29-9-96

To The Comptroller

Invites the Comptroller's opinion as
to whether, in the event of the present
post-audit system of accounts being

being replaced by a system of pre-audit
of all items in the Municipalities of the Bangalore
and Mysore cities, and of the items of expenditures
on public works in the remaining municipalities,
the exceeding of Budget limits in certain cases
by presidents of municipalities without proper
sanction and the resulting delay and inconvenience
might not be prevented.

10217 2286 75-97
L.2207 From the Comptroller

Forwards a memorandum as to the advis-
ability of substituting pre-audit for post-audit
of Municipal charges.

1999-2009 - 6.8.97

To The Comptroller

" Presidents of Municipal & Local Funds

Refers the powers of the Presidents
of Municipal & Local Funds

shared by that of
fore-audit of all items
in the largest municipalities
of Bangalore and Mysore
cities and of ^{the item of} expenditure
on Public works in the
remaining municipalities in
the state, the irregularities
~~and instances~~
above referred to may
not be minimized if
~~not~~ to a large extent, if
they cannot be obviated altogether.

By order

For Secretary

To,
The Comptroller in
Mysore



Municipal ~~Accounts~~ Official
Memorandum No 4373
27 296-92
Dewans Office.

Two drawbacks are noticed
in the above memorandum.

(1) Presidents exceeding
Budget grants and Estimates
for Public works without proper
sanction.

(2) Delay in the preparation
and submission of accounts.

This was only mentioned in
the Order as a consequence of the former,
and not as a separate drawback requiring
remedy.

2. The Government suggests
as a remedy the pre-auditing
of all items in the Mysore
and Bangalore City Municipalities
and of items of expenditure on
Public works in all the
remaining Municipalities.

3. I am afraid that, if
all payments have to be
made only on pre-audited
bills, progress of work in
the Municipalities will
be very much retarded.

Almost all the Municipal
Contractors both for Public
works and conservancy are

petty

petty piece workers with very little or no capital of their own; and, if they are not paid as promptly and as often as men of this class in the Public Works Department are paid, considerable difficulty may be experienced in securing proper men for Municipal works without increasing the existing rates so as to provide some compensation for the delay that ~~an~~ pre-audit in a Central office would necessarily involve

The majority of the works themselves are very small and petty, though very large in number, and are such that they can be completed in a month or two provided the Petty contractors are paid once a fortnight as such men are, in the Public Works Department while they will be necessarily prolonged if payments have to be made after an audit in this office.

4. As a remedy for the first drawback, I would suggest, First that in carrying

in the submission of accounts, I cannot understand where the difficulty lies. The form of accounts adopted is very simple, and is not susceptible of further simplification. The Government have fixed the 30th of the month following that to which the accounts relate as the date for submission of accounts, which is a very liberal allowance, compared with the date fixed for the civil accounts from District Treasuries; and yet all the Presidents have been highly impunctual during the past years and are showing no signs of improvement. Vide statement A for 1895-96 and part of 1896-97. The delay in the preparation of accounts in this office and submission to Government, is not due to unauthorised excess expenditure or Budget grants being exceeded as all such excess charges are brought on the accounts under suspense pending sanction or re-appropriation but due entirely to

to

to these accounts being received in this office long after the prescribed date, and in the majority of cases in a very imperfect condition not fully and properly vouched.

10. I would therefore suggest that the Government may be pleased to investigate the question in communication with the Presidents of all the Municipalities and take such steps as would remedy this defect. A better and more intelligent class of men employed as Municipal Clerks and Accountants in the District Offices with a little more personal attention on the part of Presidents and Vice Presidents in the matter of accounts, will, I am sure go a great way in remedying the defect.

Wm. B. Brown

Comptroller.

3rd May 1897.

Wm

Read:-

4811

Government Official

Memorandum No. 4373 dated
29th September 1896, inviting the
Comptroller's opinion as to whether
in the event of the present
post-audit system of accounts
being replaced by a system of
pre-audit of all items in the
municipalities of the Bangalore
and Mysore cities and of the items
of expenditure on Public works in
the remaining municipalities, the
exceeding of budget limits, ^{in certain cases} by
Presidents of Municipal Boards
without proper sanction and
the resulting delay and incon-
venience might not be prevented.

(2) Letter No. 2286, dated 7th
May 1897, from the Comptroller
in Mysore submitting a
memorandum containing
his views on the subject

Print in extenso.

Order thereon

~~19. R. H. V.~~

~~4746~~

SECTION	L. B.
FILE No.	6896
SERIAL No.	3

9/6/97

22316

2. Accordingly, the powers of Presidents of Municipalities and of Local Fund Boards with regard to excess^{es} over estimates ^{for works} will hereafter be as follows:-

x I have added this exhibit
• approval. There is no reason
for making any distinction.

10/10/1910

⊗ I have retained the same limit of 5 p.c. on the total, as otherwise when the anomaly of 5 p.c. under each item worked up to h.c. on the total

Proceedings of the Government of Mysore

READ

Government Official Memorandum No. 4373—L.F. 296-92, dated 29th September 1896, inviting the Comptroller's opinion as to whether, in the event of the present post-audit system of accounts being replaced by a system of pre-audit of all items in the municipalities of the Bangalore and Mysore cities and of the items of expenditure on public works in the remaining municipalities, the exceeding of budget limits in certain cases by Presidents of Municipal Boards without proper sanction and the resulting delay and inconvenience might not be prevented.

(2) Letter No. 2286, dated 7th May 1897, from the Comptroller in Mysore.

With reference to Official Memorandum No. 4373—L.F. 296-92, dated 29th September 1896.

I have the honor to forward a Memorandum as to the advisability of substituting pre-audit for post-audit of municipal charges.

MEMO

Municipal Accounts; Official Memorandum No. 4373—L.F. 296-92, Dewan's Office.

Two drawbacks are noticed in the above Memorandum.

(1) Presidents exceeding budget grants and estimates for public works without proper sanction.

(2) Delay in the preparation and submission of accounts.

2. The Government suggests as a remedy the pre-auditing of all items in the Mysore and Bangalore City Municipalities and of items of expenditure on public works in all the remaining municipalities.

3. I am afraid that, if all payments have to be made only on pre-audited bills, progress of work in the municipalities will be very much retarded.

Almost all the municipal contractors both for public works and conservancy are petty piece workers with very little or no capital of their own; and, if they are not paid as promptly and as often as men of this class in the Public Works Department are paid, considerable difficulty may be experienced in securing proper men for municipal works without increasing the existing rates so as to provide some compensation for the delay that pre-audit in a central office would necessarily involve.

The majority of the works themselves are very small and petty, though very large in number, and are such that they can be completed in a month or two provided the petty contractors are paid once a fortnight as such men are in the Public Works Department while they will be necessarily prolonged if payments have to be made after an audit in this office.

4. As a remedy for the first drawback, I would suggest, first, that in carrying out all public works the Presidents may be authorized to incur excesses not exceeding 5 per cent of the estimate amount under each item and not exceeding 10 per cent on the total amount of estimate second, in regard to works costing Rs. 500 and less they may exceed up to the limit of their sanctioning power, viz., Rs. 500; provided, when the excesses are not covered by rule (1), they sanction revised estimates and include them in their monthly list of sanctions.

5. In regard to conservancy, the same powers may be given to the President both in regard to the sweepers and totis who should not be classed as members of a fixed establishment under "IV. Conservancy (a)" as is now done, but under "IV. Conservancy (b)" and also in regard to petty works and purchases under the same head "Conservancy (b)."

6. No excess being permitted under fixed establishment of all kinds the budget grants under other heads may be allowed to be exceeded by 5 per cent.

7. These enhanced powers will, I think, greatly obviate the necessity of raising month after month so many objections in this office and of the Presidents going up to Government so often for sanction for any small and petty deviations and excesses.

8. The present system of sanctioning supplementary budget estimates by Government which does not obtain elsewhere and which is not provided for in the Mysore Municipalities Act, may be necessary.

In the very rare cases where the excesses cannot be covered by the above provisions, the Presidents may be asked to submit revised estimates for sanction.

9. As regards the delay in the submission of accounts, I cannot understand where the difficulty lies. The form of accounts adopted is very simple, and is not susceptible of further simplification. The Government have fixed the 30th of the month following that to which the accounts

Local Boards Branch, Municipal, dated 6th August 1897.

relate as the date for submission of accounts, which is a very liberal allowance compared with the date fixed for the civil accounts from District Treasuries; and yet all the Presidents have been highly unpunctual during the past years and are showing no signs of improvement, *vide* Statement A for 1895-96 and part of 1896-97. The delay in the preparation of accounts in this office and submission to Government, is not due to unauthorised excess expenditure or budget grants being exceeded as all such excess charges are brought on the accounts under "Suspense" pending sanction or re-appropriation but due entirely to these accounts being received in this office long after the prescribed date, and in the majority of cases in a very imperfect condition not fully and properly vouched.

10. I would, therefore, suggest that the Government may be pleased to investigate the question in communication with the Presidents of all the municipalities and take such steps as would remedy this defect. A better and more intelligent class of men employed as municipal clerks and accountants in the District Offices with a little more personal attention on the part of Presidents and Vice-Presidents in the matter of accounts, will, I am sure, go a great way in remedying the defect.

No. 1999-2009—L. F. 296-92, DATED, BANGALORE, 6TH AUGUST 1897.

ORDER THEREON.—Except in regard to the suggestion that sweepers and totis may be classed under the head "IV Conservancy (other charges," the Government approve in the main of the other proposals made by the Comptroller in the letter read above.

2. Accordingly, the powers of Presidents of Municipalities and of Local Fund Boards with regard to excesses over estimates for works will hereafter be as follows:—

I. As regards works, executed from Municipal or Local Funds, they are authorized to incur excess expenditure up to a limit of 5 per cent of the estimate under each item and up to the same limit on the total estimate. Where the cost of the work is below Rs 500, they may exceed the estimate up to that amount, provided the excess expenditures can be met by transfers from one minor budget item to another, without involving an increase over the sanctioned budget grant under each major head. All transfers from one major head to another require the sanction of Government, under para 5 of Proceedings No. 5127-5207—L. 635, dated 21st June 1892.

II. Where the expenditure is likely to exceed either of these limits, a revised estimate should be prepared and sanctioned by the President himself, or submitted for the sanction of Government, according as the total cost is within or beyond his powers of sanction.

III. As regards fixed establishments of every kind, including sweepers and totis, the budget provision should in no case be exceeded without the previous sanction of Government.

IV. In the case of entirely new items, applications for supplemental grants or for re-appropriations should be submitted to Government as heretofore.

3. The remarks of the Comptroller made in paras 9 and 10 of his letter with regard to delays in the preparation and submission of accounts, &c., will be referred to the Presidents for particular attention.

C. SREENIVASIENGAR,
Secy. to Govt., Gen. & Rev. Depts.

To—The Comptroller to the Government of Mysore.
The Presidents of Municipal and Local Fund Boards.